



FOR IMMEDIATE RELEASE
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***GOVERNOR NAPOLITANO ANNOUNCES STEPS TO FURTHER
STRENGTHEN ARIZONA'S HOMELAND SECURITY PROGRAM***

PHOENIX – Governor Janet Napolitano today announced a series of actions to ensure the most effective and efficient use of federal homeland security dollars to keep Arizona safe and strong. These measures are being taken in anticipation of Arizona's allotment of FY2006 U.S. Department of Homeland Security (DHS) grant funding, expected to be announced by early summer.

These actions were prompted by the Governor's concerns about Arizona's dwindling allotment of federal homeland security funding to the State. Arizona expects to see the trend of declining federal funding continue.

Enhancements to Arizona's homeland security program include an independent efficiency review, a streamlined grant approval process, a comprehensive grant monitoring program and increased outreach to local jurisdictions to ensure the best use of scarce federal dollars.

"Since we cannot anticipate Arizona's future homeland security funding," said Governor Napolitano, "I've requested a comprehensive review of past, ongoing and proposed programs to ensure we are spending our limited funding wisely to assist our communities in preventing and responding to emergencies."

Added Governor Napolitano, "The safety of Arizonans is the most important responsibility of state government. As we await word from the federal government on Arizona's share of this year's funding, I want to make sure we are ready to put these increasingly scarce dollars to best use to keep our citizens and our property safe."

Since 2001, Arizona's Office of Homeland Security has received and allocated \$178 million in federal homeland security grant funding to local jurisdictions throughout the state to detect, prevent, prepare for, and respond to terrorist attacks and other critical incidents including floods and wildfires. In 2005, Arizona received \$41 million in homeland security grants, a \$20 million decrease in federal funding since 2003.

To ensure the most efficient use of the declining federal dollars, the Governor has asked for an independent review, which will assess: state and local homeland security spending; compliance with federal grant guidelines; and methods of efficiently administering the homeland security grant program. The Governor has requested initial findings by July 1, with a final report expected

in approximately 120 days. The review will be led by Peter Francis, who served as the Governor's Director of Efficiency Review.

Additional enhancements to Arizona's homeland security program announced today include:

- **Streamlined grant approval and reimbursement process.** Arizona is currently beta testing a new, secure web-based system that is expected to decrease processing time for approved projects and provide comprehensive online tracking abilities. Local jurisdictions and the state will be able to submit homeland security projects online; the current system involves substantial paperwork mailed between stakeholders including local, tribal and state agencies.
- **New grant monitoring program.** The State is launching a new fiscal monitoring program, which will include office and on-site monitoring of grant expenditures. Increased on-site monitoring and equipment inventories will ensure compliance with grant guidelines. Office monitoring will ensure that grant documentation is complete and current. To assist in this process, the grant management staff, housed at the Arizona Division of Emergency Management, has hired an additional financial supervisor.
- **Compliance assistance for grant applicants.** Arizona's homeland security grant management team has increased its outreach to local jurisdictions as they submit project requests to ensure compliance with federal guidelines, which have changed and grown increasingly complex with each grant year. The 2004 U.S. Department of Homeland Security program consisted of 50 pages of guidelines; the 2006 program guidelines are 400 pages. In preparation for the FY2006 funding, the State has sent out to stakeholders an overview of the FY2006 federal grant process including timelines for project submittals.

Note: Please see attached fact sheets for information on Arizona's homeland security strategy and regional approach.